

AGENDA
LEXINGTON COUNTY COUNCIL
Committee Meetings
Tuesday, October 26, 2004
Second Floor - County Administration Building
212 South Lake Drive, Lexington, SC 29072
Telephone - 803-359-8103 -- FAX 803-359-8101

4:00 p.m. - 4:15 p.m. - Health & Human Services

- (1) Pelion Fire Department Grant Assistance - FEMA Grant - Public Safety/Fire Service -
Chief Tim James, Director of Public Safety and Homeland Security **A**
- (2) Old Business/New Business
- (3) Adjournment

Health & Human Services

J. Wilkerson, Chairman
J. Jeffcoat, V Chairman
J. Owens
T. Cullum
S. Davis

A G E N D A
LEXINGTON COUNTY COUNCIL
Tuesday, October 26, 2004
Second Floor - Council Chambers - County Administration Building
212 South Lake Drive, Lexington, South Carolina 29072
Telephone - 803-359-8103 FAX - 803-359-8101

4:30 P.M. - COUNCIL CHAMBERS

Call to Order/Invocation
Pledge of Allegiance

Employee Recognition - Art Brooks, County Administrator

Appointments **B**

Telecommunications/Consolidation Committee

- (1) Mr. Bill Byrd - Overview of the Goals and Objectives of the Evaluation Committee
- (2) Mr. Ben Spearman - PBT Communications - County Wide Telecommunications

Bids/Purchases/RFPs

- (1) One (1) Deluxe Animal Box - Animal Control **C**
- (2) Used Bucket Truck - Building Services **D**
- (3) Janitorial Supplies - Term Contract - Central Stores **E**
- (4) Evidence Locker - Clerk of Court **F**
- (5) Telecommunication Services - County Wide **G**
- (6) CPR Machines & Replacement Cases - Sole Source Procurement - Public Safety/EMS **H**
- (7) Construction of Eleven (11) Convenience Stations (Attendant Buildings)
 - Solid Waste Management **I**

Chairman's Report

Administrator's Report

Budget Amendment Resolutions

Approval of Minutes - Meeting of September 28, 2004 **J**

Zoning Amendment

- (1) Zoning Map Amendment M04-06 - 6172 Bush River Road, Columbia, SC 29212 -
 Announcement of 1st Reading **K**

Economic Development Projects

Pella Corporation

- (1) Ordinance 04-08 - Authorizing the Execution and Delivery of a Fee Agreement by and Between Lexington County, South Carolina, and Pella Corporation Providing for Payment of a Fee in Lieu of Taxes - 2nd Reading **L**
- (2) Ordinance 04-09 - An Ordinance to Amend an Agreement Relating to the Joint County Industrial and Business Park of Lexington and Calhoun Counties - 2nd Reading **M**

Shakespeare Composite Structures LLC

- (1) Ordinance 04-10 - Expanding Multi-County Park Between Lexington and Newberry Counties - 1st Reading **N**

Committee Report

Health & Human Services, J. Wilkerson, Chairman

- (1) Pelion Fire Department Grant Assistance - FEMA Grant - Public Safety/Fire Service **(Tab A)**

Presentation

- (1) Senator Jake Knotts, 500 West Dunbar Road, West Columbia, SC 29169 - Emmanuel Church Road - Sand Mining

6:00 P.M. - Public Hearing

- (1) **Atlantic Housing Foundation, Inc.** - Adoption of Resolution Authorizing the Execution and Delivery of an Interlocal Agreement with the Capital Trust Agency (Refinance Stoney Creek Apartment Complex) **O**

Atlantic Housing Foundation, Inc.

- (1) Adoption of Resolution Authorizing the Execution and Delivery of an Interlocal Agreement with the Capital Trust Agency (Refinance Stoney Creek Apartment Complex) - TENTATIVE

OLD BUSINESS/NEW BUSINESS

EXECUTIVE SESSION/LEGAL BRIEFING

MATTERS REQUIRING A VOTE AS A RESULT OF EXECUTIVE SESSION

ADJOURNMENT



County of Lexington

DEPARTMENT OF PUBLIC SAFETY


212 South Lake Drive • Lexington, South Carolina 29072

TELEPHONE: (803) 359-8141 FAX (803) 359-8589

October 11, 2004

MEMORANDUM

To: Timothy M. James
Assistant Sheriff / Director of Public Safety

From: Russell Rawl 
Fire Service Coordinator

Reference: Fire Department Grant Assistance

The Pelion Fire Department has been awarded a FEMA Grant for miscellaneous fire equipment in the amount of \$80,602. The grant is funded 90% by FEMA and the department is required to provide 10%. The Pelion Fire Department has requested assistance in obtaining their matching share of \$8,060.

Grant Amount	Department Match
\$80,602	\$8,060

This equipment will be utilized to fully equip a Service Truck to ISO standard that is housed at the Pelion Fire Station. This vehicle will be available to respond to emergency calls throughout the County as needed. Therefore, obtaining this equipment will be of great benefit to the Fire Service.

Due to the fact that this is a one time capital expenditure, the Fire Service Contingency Account (1000-131599- 549904) could be utilized for the department's match of \$8,060. This fund could be utilized without any negative effect on Fire Service operations.

Should you have any questions or need any additional information, please let me know.

right.

need to increase the available air packs that we have on hand.

*6. Does this equipment provide a health and safety benefit to the firefighters in your department? If yes, please fully explain in the narrative section.

Yes

Close Window

Budget

Budget Object Class

a. Personnel	\$ 0
b. Fringe Benefits	\$ 0
c. Travel	\$ 0
d. Equipment	\$ 80,602
e. Supplies	\$ 0
f. Contractual	\$ 0
g. Construction	\$ 0
h. Other	\$ 0
i. Indirect Charges	\$ 0

Indirect Cost Details

Agency Indirect Cost Agreement with

Indirect Cost Rate %

Agreement Summary

Federal and Applicant Share

Federal Share	\$ 72,542
Applicant Share	\$ 8,060
Federal Rate Sharing (%)	90/10 (Administratively changed)

* Non-Federal Resources (The combined Non-Federal Resources must equal the Applicant Share of \$ 8,060)

a. Applicant	\$ 8,060
b. State	\$ 0
c. Local	\$ 0
d. Other Sources	\$ 0

If you entered a value in Other Sources, include your explanation below. You can use this space to provide information on the project, cost share match.

Total Budget **\$ 80,602**

A P P O I N T M E N T S - B O A R D S & C O M M I S S I O N S

October 26, 2004

BRUCE RUCKER

Assessment Appeals Board - Charles L. Goodwin - Term expired 9/21/04 - Eligible for reappointment

BILLY DERRICK

Board of Zoning Appeals - Ronnie E. Garner - Term expires 12/31/04 - Not eligible for reappointment

SMOKEY DAVIS

Assessment Appeals Board - James S. Cleckler - Term expired 9/21/04 - Eligible for reappointment

BOBBY KEISLER

Assessment Appeals Board - Barry Clonts - Term expired 9/21/04 - Eligible for reappointment, however does not attend meetings

Museum Commission - Deborah J. Senn - Term expires 11/1/04 - Eligible for reappointment

JOHNNY JEFFCOAT

Planning Commission - Eddie Wilder - Term expired 8/26/04 - Eligible for reappointment

JOHN CARRIGG

Accommodations Tax Board - Vacant (Resigned) - Term expires 12/31/06

Children's Shelter - Vacant - Term expired 6/30/01

Library Board - Vacant (Resigned) - Term expires 9/26/07

JOE OWENS

Accommodations Tax Board - Vacant (Resigned) - Term expires 12/31/06

Museum Commission - Toni L. Greer - Term expires 11/01/04 - Eligible for reappointment

Board of Zoning Appeals - Robert N. Senn - Term expires 12/31/04 - Not eligible for reappointment

TODD CULLUM

Accommodations Tax Board - Vacant - Term expired 12/31/03

Assessment Appeals Board - Bill Power - Term expired 9/21/04 - Eligible for reappointment

Children's Shelter - Vacant - Term expired 6/30/03

BUILDING CODE BOARD OF APPEALS

Building - E. D. Sturkie - Term expired 8/13/04 - Not eligible for reappointment

Plumbing - Vacant - Term expired 08/13/03

Member at Large (new)

CENTRAL MIDLANDS COUNCIL OF GOVERNMENTS

Melanie P. Ellerbe - At Large - Terms expired 06/15/04 - Eligible for reappointment

LEXINGTON/RICHLAND ALCOHOL & DRUG ABUSE COUNCIL

At-Large Appointments

Anida P. Mims - Vacant - Term expired 12/31/03 - Eligible for reappointment

Fred Steppe - Term expires 12/31/04 - Eligible for reappointment

William L. Rawl, Jr. - Term expires 12/31/04 - Not eligible for reappointment

TEMPORARY SIGN AND PERMITTING COMMITTEE

Vacant - District 7

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 359-8385

(F) 359-2240

DATE: October 15, 2004

TO: Art Brooks
County Administrator

THROUGH: Sheila R. Fulmer, CPPB
Procurement Manager



FROM: Janice A. Bell, CPPB
Procurement Officer



SUBJECT: One (1) Deluxe Animal Box
Animal Control

Competitive telephone bids were solicited for the purchase of one (1) deluxe animal box for Animal Control. We received three (3) bids (see attached bid tabulation). The bids were evaluated by Joe Mergo, Director of Solid Waste Management and Janice Bell, Procurement Officer.

This is a slide-in unit for the animal control officer's truck that is used to safely transport dogs and cats that the officer has picked up. The current animal boxes are nine (9) years old that were leftover from the Humane Society and have been repaired numerous times. This box is a vital piece of equipment for the officer to perform his/her duties and comes with an airflow feature which will aid in humane treatment while the animals are on the truck during the hot temperature days. We recommend award to Jones Slide-In Units as the low bidder meeting specifications. The total amount of this purchase is \$7,133.70 including applicable sales tax.

Funds are appropriated in the following account:

1000-131200-5A5061 (1) Diamond Deluxe Animal Box

I concur with the above recommendation and further recommend that this purchase be placed on County Council's agenda for their next scheduled meeting on October 26, 2004.

Attachment

copy: Larry Porth, Director of Finance/Assistant County Administrator
Joe Mergo, Director of Solid Waste Management
Chris Folsom, Animal Services Coordinator


COUNTY OF LEXINGTON

BID TABULATION SHEET

DATE: October 15, 2004

DELUXE ANIMAL BOX

BIDDER	One (1) Animal Box
Jones Slide-In Units	\$6,794.00
Jackson Creek Manufacturing, Inc.	\$7,021.00
Deerskin Manufacturing, Inc.	\$17,387.00



Janice A. Bell, CPPB
Procurement Officer

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 359-8385

(F) 359-2240

DATE: October 18, 2004

TO: Art Brooks
County Administrator

THROUGH: Sheila R. Fulmer, CPPB
Procurement Manager



FROM: Janice A. Bell, CPPB
Procurement Officer



SUBJECT: Used Bucket Truck - Building Services

We received a requisition from Ray Disher, Building Services Manager, for the purchase of a used bucket truck.

This is a 1988 40 foot two (2) man bucket truck to be used for replacing lamps in parking lot lights. This truck is available from Mid-Carolina Electric Cooperative. The total amount of this purchase is not to exceed \$8,400.00 including applicable sales tax.

I concur with the above recommendation and further recommend that this purchase be placed on County Council's agenda for their next scheduled meeting on October 26, 2004.

copy: Larry Porth, Director of Finance/Assistant County Administrator
Ray Disher, Building Services Manager

COUNTY OF LEXINGTON

Procurement Services


MEMORANDUM


(O) 359-8385

(F) 359-2240

DATE: December 8, 2003

TO: Art Brooks
County Administrator

THROUGH: Sheila R. Fulmer, CPPB
Procurement Manager 

FROM: Janice A. Bell, CPPB 
Procurement Officer

SUBJECT: Janitorial Supplies - Term Contract - Central Stores
BID NO. C05006-09/29/04B

Competitive bids were solicited and advertised for a term contract for janitorial supplies for Central Stores.

We received thirteen (13) bids of which one (1) was a no bid (see attached bid tabulation). Bids were evaluated by Rod Pimental, Inventory Manager and Janice A. Bell, Procurement Officer. It is recommended that the award be made to multiple vendors as the lowest bidders meeting specifications.

Smith & Jones	\$21,898.56
Genesis II	5,978.91
Waper, Inc.	4,238.98
Janitorial Suppliers	8,252.31
Corporate Express	2,259.55

The cost of these supplies is based on estimated quantities projected for use by Central Stores for a period of one (1) year. It is estimated that the annual value of this contract is \$42,628.31 including applicable sales tax.

It is our recommendation to award these term contracts for the initial period of one (1) year with the option to extend the contracts for two (2) additional one (1) year periods if deemed to be in the best interest of the County.

I concur with the above recommendation and further recommend that this purchase be placed on County Council's agenda for their next scheduled meeting on October 26, 2004.

Attachment

copy: Larry Porth, Director of Finance/Assistant County Administrator
Rod Pimental, Inventory Manager

COUNTY OF LEXINGTON

BID TABULATION SHEET

BID: C05006-09/23/04B

Janitorial Supplies

Description	Janitorial Suppliers	Smith & Jones	Jenn Sales	Genesis II	Central Poly Corp.	Waper, Inc.	Zep	Southeastern Paper	Americare Products	Derma-Rite Industrial	Pyramid Paper	Reliable Custodial	Corporate Express
Air Freshener	Rejected	\$0.129/oz	No Bid	\$1.34/oz	No Bid	No Bid	\$0.21/oz	Rejected	No Bid	No Bid	Rejected	No Bid	Rejected
Gallon General Purpose Cleaner Pine Base	Rejected	\$3.50/gal	\$3.77/gal	Rejected	No Bid	\$8.30/gal	No Bid	Rejected	No Bid	No Bid	No Bid	No Bid	Rejected
Glass Cleaner	Rejected	\$2.25/gal	\$3.38/gal	Rejected	No Bid	\$4.77/gal	No Bid	Rejected	No Bid	No Bid	No Bid	No Bid	Rejected
Surface Cleaner	Rejected	\$0.975/oz	No Bid	\$0.871/oz	No Bid	No Bid	\$0.16/oz	Rejected	No Bid	No Bid	Rejected	No Bid	Rejected
Toilet Cleaner	Rejected	\$7.00/qt	No Bid	No Bid	No Bid	\$9.00/qt	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	Rejected
Deodorant Blocks	\$7.85/bx	\$4.05/bx	No Bid	\$4.02/bx	No Bid	\$8.99/bx	No Bid	Rejected	No Bid	No Bid	\$3.49/bx	\$3.89/bx	Rejected
Wall Hanging Deodorant Blocks	\$17.10/bx	\$13.20/bx	No Bid	\$14.28/bx	No Bid	\$28.50/bx	No Bid	Rejected	No Bid	No Bid	\$12.99/bx	\$63.34/bx	\$16.86/bx
Disinfectant	Rejected	Rejected	No Bid	Rejected	No Bid	\$0.19/oz	\$0.21/oz	Rejected	No Bid	No Bid	Rejected	No Bid	Rejected

Description	Janitorial Suppliers	Smith & Jones	Jern Sales	Genesis II	Central Poly Corp	Waper, Inc.	Zep	Southeastern Paper	Americare Products	Dermarite Industrial	Pyramid Paper	Reliable Custodial	Corporate Express
Crawling Insect Insecticide	Rejected	\$1375/oz	No Bid	\$ 225/oz	No Bid	No Bid	No Bid	Rejected	No Bid	No Bid	Rejected	No Bid	Rejected
Wasp & Hornet Insecticide	Rejected	\$117/oz	No Bid	\$159/oz	No Bid	\$ 1540/oz	No Bid	Rejected	No Bid	No Bid	Rejected	No Bid	Rejected
Furniture Polish	Rejected	\$11/oz	No Bid	\$104/oz	No Bid	\$1335/oz	No Bid	No Bid	No Bid	No Bid	Rejected	No Bid	Rejected
Bar Soap	\$0.18/ea	\$22/ea	Rejected	\$ 225/ea	No Bid	No Bid	No Bid	No Bid	Rejected	No Bid	No Bid	\$26/ca	Rejected
Liquid Hand Soap	Rejected	Rejected	No Bid	\$2.17/bx	No Bid	No Bid	No Bid	No Bid	No Bid	Rejected	No Bid	\$1.78/bx	Rejected
Wax Stripper	Rejected	\$5.50/gal	No Bid	No Bid	No Bid	No Bid	\$8.21/gal	Rejected	No Bid	No Bid	No Bid	No Bid	Rejected
Floor Wax	Rejected	\$45.00 5 gallon	Rejected	\$36.76 5 gallon	No Bid	\$62.45 5 gallon	No Bid	Rejected	No Bid	No Bid	No Bid	No Bid	Rejected
General Purpose Cleaner	Rejected	\$2.25/gal	Rejected	\$3.23/gal	No Bid	\$3.58/gal	No Bid	Rejected	No Bid	No Bid	No Bid	No Bid	\$1.93/gal

Bids rejected were bidding products that were not listed on the approved products list

Deodorant Blocks and Wall Hanging Deodorant Blocks were not awarded to low bidder. It is more advantageous to the County to award these items to Smith & Jones and Genesis II since these vendors were low bidder on several items and the cost difference is under \$200.00.

Bids Opened: September 23, 2004

Janice A. Bell, CPPB
Procurement Officer



COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

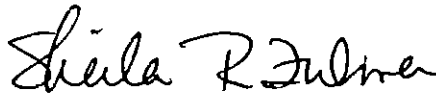
(O) 359-8385

(F) 359-2240

DATE: October 14, 2004

TO: Art Brooks
County Administrator

THROUGH: Sheila R. Fulmer, CPPB
Procurement Manager



FROM: Janice A. Bell, CPPB
Procurement Officer



SUBJECT: Evidence Locker - Clerk of Court

Competitive telephone bids were solicited for the purchase of an evidence locker requested by Thomas Comerford, Clerk of Court for the Clerk of Court's office. We received four (4) bids of which two (2) were no bids (see attached bid tabulation). This locker is required to store evidence such as guns and drugs for General Sessions Court. The evidence is currently being stored in the old Courthouse. Since moving into the new Judicial Center, the Clerk of Court's office has gained two (2) evidence rooms which are equipped with key locks. This evidence locker will provide the additional security that is needed for the guns and drugs so that anyone entering the room illegally would not have access to these items.

We recommend award to The Rembert Company as the low bidder meeting specifications. The cost for this locker is \$5,496.75 including applicable tax.

If approved, the Clerk of Court has proposed a budget amendment for funds from the Professional Bond Fees account.

I concur with the above recommendation and further recommend that this purchase be placed on County Council's agenda for their next scheduled meeting on October 26, 2004.

Attachment

copy: Larry Porth, Director of Finance/Assistant County Administrator
Thomas Comerford, Clerk of Court
Kathy Brazell, Clerk of Court's Office

COUNTY OF LEXINGTON

BID TABULATION SHEET

DATE: October 14, 2004

EVIDENCE LOCKER

BIDDER	One (1) Evidence Locker
The Rembert Company	\$5,235.00
J. E. Pope Company, Inc.	\$6,661.50
Barloworld Handling	No Bid
Lyon Workspace Products	No Bid

Barloworld declined quote as this locker is a specialized "police" product.

Lyon Workspacc Products was not able to quote at this time.



Janice A. Bell, CPPB
Procurement Officer

TELECOMMUNICATION SERVICES

Evaluation Committee Report and Recommendation Bid No. C05003-09/10/04B

October 15, 2004

PURPOSE

The County of Lexington solicited competitive sealed bids from potential telecommunication service providers to establish a contract for providing land line and long distance telecommunication services to the entire County of Lexington.

The County currently has three (3) providers for land line service and one (1) provider for long distance service. Our objective was to consolidate the existing service providers from four (4) to one (1) service provider, reduce costs, and provide better service to the citizens of Lexington County.

EVALUATION COMMITTEE

An evaluation committee was established to review our current telecommunication structure and ultimately report its recommendation to County Council for their consideration. Committee members were: Johnny Jeffcoat, County Council member; Billy Derrick, County Council member; Art Brooks, County Administrator; Larry Porth, Finance Director; Chief Tim James, Assistant Sheriff/Director of Public Safety and Homeland Security; Sheila Fulmer, Procurement Manager; Bill Byrd, Lexington County Citizen; and Bill Monts, Lexington County Citizen.

The committee met individually with each of the existing land line service providers to discuss the County's goals and objectives of this project. Each firm was given the opportunity to provide suggestions of available methods to achieve our task. The committee met with Alltel, BellSouth, and PBT Communications. It was determined that our objectives could be met through the formal solicitation process.

SOLICITATION REQUIREMENTS

The required legal advertisements soliciting sealed, competitive bids from qualified firms were placed and appeared in the South Carolina Business Opportunities Publication, through DemandStar, and the County's website. Notification was also mailed to firms on our vendor list.

Bids were due and received at 3:00 p.m. on September 10, 2004. At that time, the County received bids from four (4) firms:

Alltel SC, Inc.
PBT Communications, Inc.
Verizon
BellSouth

EVALUATION PROCESS

Due to the highly technical nature of the bids received, a sub-committee consisting of Bill Byrd and Sheila Fulmer reviewed the submittals. On September 13, 2004 the sub-committee began its evaluation process and met again on September 28, 2004. The sub-committee met with the full committee on October 8, 2004 and again on October 15, 2004 for detailed discussions of their evaluation of the bids.

After the evaluation committee was in agreement that it had obtained, reviewed, and analyzed all information and documentation presented and collected in the evaluation process, the final evaluation was completed by the committee on October 15, 2004. It is the committee's recommendation to award this contract to PBT Communications, Inc. as the lowest most responsive, responsible bidder.

PROPOSED COST

PBT Communications, Inc. submitted a solution consisting of Voice over Internet Protocol (VoIP). This solution meets all requirements of the bid. It will enable any citizen, in any location to call any County office without having any long distance charges. PBT Communications, Inc. will provide all long distance calls at no charge to the County. PBT Communications, Inc. also will provide the County with twenty-five (25) video IP Phones at no charge. This is an extra value of \$17,500.00.

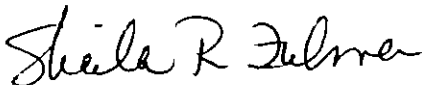
By awarding this contract to PBT Communications, Inc. there will be an approximate annual savings (compared to the 03/04 actual cost) of \$95,039.03. Attached is a bid tabulation and cost breakdown of potential annual cost savings of the two vendors submitting bids meeting specifications (PBT and Alltel). Bids received from BellSouth and Verizon only offered long distance service.

RECOMMENDATION

The evaluation committee feels that it has obtained, reviewed, and analyzed all information and documentation presented and recommends award to PBT Communications, Inc. for an initial contract term of one (1) year with an option to extend four (4) additional one (1) year periods.

The evaluation committee hereby submits this recommendation for County Council's consideration and approval.

Attachment



Sheila R. Fulmer, CPPB
Procurement Manager

**TELECOMMUNICATIONS
COST ANALYSIS**

Actual FY 03/04

Existing land line cost per year	433,637.76
Existing long distance cost per year @ \$.055/min	43,098.95

TOTAL ANNUAL COST	476,736.71
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	Pond Branch	Monthly	Annual
Land Line 1132 lines x 18.21/mo(includes all taxes/fees) 17.34 + + 5% tax = 18.21 + .50 + .16 = 18.87		21,360.84	256,330.08
Voice Mail 401 x 1.05/mo (1.00 + 5% tax = 1.05)		421.05	5,052.60
V/M Tree 5 x 5.25/mo (5.00 + 5% tax = 5.25)		26.25	315.00
234 uncovered lines (Estimate)		10,000.00	120,000.00
Long Distance		N/C	N/C
ESTIMATED TOTAL COST		31,808.16	381,697.68
 <u>Approximate Savings (Compared to 03/04 Actual)</u>			 \$95,039.03

	ALLTEL	Monthly	Annual
Land Line 1206 lines, See attached breakdown of cost (All Voice Mail, V/M Tree, taxes & fees included above)		\$21,332.04	\$255,984.48
160 Uncovered lines		\$14,947.04	\$179,364.48
Long Distance @ \$.03/minute (Est. Based on 03/04 Actual @ \$.055/minute)			\$23,508.52
ESTIMATED TOTAL COST			\$458,857.48
 Approximate Savings (Compared to 03/04 Actual)			 \$17,879.23
<u>One time activation fee for the 160 uncovered lines (Estimate)</u>			<u>\$30,072.00</u>

COUNTY OF LEXINGTON

Procurement Services


MEMORANDUM


(O) 359-8385

(F) 359-2240

DATE: October 14, 2004

TO: Art Brooks
County Administrator

THROUGH: Sheila R. Fulmer, CPPB 
Procurement Manager

FROM: Janice A. Bell, CPPB 
Procurement Officer

SUBJECT: **CPR Machines & Replacement Cases - Sole Source Procurement**
Public Safety/EMS

We have received a requisition from Tom Gross, Public Safety/EMS Coordinator, for the purchase of two (2) Michigan Instruments CPR Machines and Replacement Cases.

EMS has previously purchased CPR machines and has standardized with Michigan Instruments. This has been deemed a Sole Source through Michigan Instruments as they are the dealer for South Carolina and there are no distributors.

The cost of this equipment is \$13,154.40 including applicable tax.

Funds are appropriated in the following account:

1000-131400-5A5070 (2) CPR Machines

I concur with the above recommendation and further recommend that this purchase be placed on County Council's agenda for their next scheduled meeting on October 26, 2004.

copy: Larry Porth, Director of Finance/Assistant County Administrator
Tom Gross, Public Safety/EMS Coordinator
Mike Gillis, Public Safety/EMS Logistics Officer

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 359-8319

(F) 359-2240

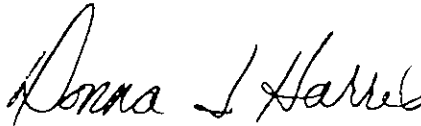
DATE: October 7, 2004

TO: Art Brooks
County Administrator

THROUGH: Sheila R. Fulmer, CPPB
Procurement Manager



FROM: Donna J. Harris, CPPB
Procurement Officer



SUBJECT: CONSTRUCTION OF ELEVEN (11) CONVENIENCE STATIONS (ATTENDANT BUILDINGS) - SOLID WASTE MANAGEMENT
BID NO. B05007-10/07/04H

Invitations for Bids were solicited (B05007-10/07/04H) from thirteen (13) qualified contractors, advertised with Demandstar, South Carolina Business Opportunities, and posted to the County website for the construction of eleven (11) convenience stations (attendant buildings) for Solid Waste Management. The project includes all equipment, materials, and labor necessary for the construction of the eleven (11) convenience stations (attendant buildings) currently in use at all collection stations except Batesburg/Leesville. The existing buildings are in very bad shape and in many cases pose potential safety hazards. Building Services inspected the buildings and said they were beyond cost effective repair. The attendant buildings are approximately sixteen (16) years old.

We received five (5) bids and two (2) no bids (see attached bid tab). Bids were evaluated by Ray Disher, Building Services Manager; Joe Mergo, III, Director of Solid Waste Management; and Donna J. Harris, Procurement Officer. It is our recommendation to award this contract to Henley's Construction Company, Incorporated as the lowest responsible bidder.

Building Services will purchase the air-conditioning and heating units. Climatic Corporation will provide the air-conditioning units as a sole source provider at a cost of \$3,001.90. W. W. Grainger will provide the heating units as the lowest responsible bidder (see attached bid tab) at a cost of \$2,222.80. The cost of the construction and installation of the air-conditioners and heaters will be provided by Henley's Construction Company, Incorporated at a cost of \$137,500.00 for a total project cost including applicable sales tax of \$142,724.70.

Funds are appropriated in account: 5700-121203-5A5407

I concur with the above recommendation and further recommend that this bid be placed on County Council's agenda for their next scheduled meeting on October 26, 2004.

copy: Larry Porth, Director of Finance / Assistant County Administrator
Ray Disher, Building Services Manager
Joe Mergo, III, Director of Solid Waste Management

COUNTY OF LEXINGTON

BID TABULATION SHEET

BID: B05007-10/07/04H

DATE: October 14, 2004

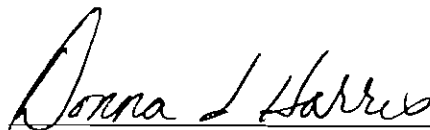
CONSTRUCTION OF ELEVEN CONVENIENCE STATIONS

BIDDER	TOTAL BID
Henley's Construction Company, Incorporated	\$137,500.00
Momentum Construction Services, LLC	\$165,000.00
MAR Construction Company, Incorporated	\$202,642.00
Moose Construction Company, Incorporated	\$235,920.00
Lyn-Rich Contracting Company, Incorporated	\$283,800.00

A no bid response was received from Dove Construction Company stating that they were unable to meet bond requirements.

A no bid response was received from Holzheimer Construction, Incorporated stating that their schedule would not permit them to perform.

Bids Opened: October 7, 2004 @ 3:00 p.m.



Donna J. Harris, CPPB
Procurement Officer

COUNTY OF LEXINGTON

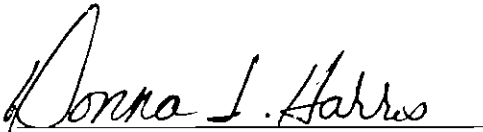
BID TABULATION SHEET

DATE: October 18, 2004

11 EACH WALL HEATERS

BIDDER	UNIT PRICE	TOTAL BID
W.W. Grainger	\$192.45	\$2,116.95
Shealy Electrical	\$200.00	\$2,200.00
Grahl Electric	\$224.83	\$2,473.13
Graybar Electric	\$231.25	\$2,543.75

Dated: October 18, 2004



Donna J. Harris, CPPB
Procurement Officer

Minutes are left out intentionally until approved by Lexington County Council. Upon Council's approval, the minutes will be available on the internet.

An aerial photograph of a residential neighborhood. A label with the word 'SUBJECT' in capital letters is placed over a house in the center-left of the image. The house is a single-story structure with a dark roof. The surrounding area includes other houses, streets, and some trees. A large, dark, irregular shape is visible on the left side of the map, possibly a body of water or a large undeveloped area. The map is oriented with North at the top. In the bottom right corner, there is a scale bar and the text 'Copyright © 1998 by Garmin Ltd.' and '0'.

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Copyright © Lexington Publishing

MAP AMENDMENT # M04-06

BRITTANY II SUBDIVISION

MUNGO COMPANY

FRIENDSHIP CENTER, INC.

Lots C1 thru C8 are
proposed commercial lots
(R3 to C2)

STATE OF SOUTH CAROLINA

ORDINANCE NO. 04-08

COUNTY OF LEXINGTON

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BY AND BETWEEN LEXINGTON COUNTY, SOUTH CAROLINA, AND PELLA CORPORATION PROVIDING FOR PAYMENT OF A FEE IN LIEU OF TAXES.

WHEREAS, Lexington County, South Carolina (the "County") acting by and through its County Council (the "County Council") is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended (the "Act"), to enter into a fee agreement (the "Fee Agreement") with any industry which identifies certain properties of such industries as economic development property (thereby reducing the tax burden on such industries), through which powers the industrial development of the State of South Carolina (the "State") and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and the County and thus to utilize and employ the manpower, products, and natural resources of the State of South Carolina to benefit the general public welfare of the County by providing services, employment, or other public benefits not otherwise provided locally; and

WHEREAS, Pella Corporation, a corporation organized and existing under the laws of the State of Iowa (referred to hereinafter as the "Company") desires to enter into a Fee Agreement with the County for the purpose of authorizing a fee in lieu of tax arrangement with the Company for its investment in the County in a facility for the production of windows and doors, which is expected to be in excess of \$22,000,000 over five years and expected to result in the creation of at least 450 new jobs (the "Project"), all as more fully set forth in the Fee Agreement attached hereto; and

WHEREAS, the County previously entered into an Inducement Agreement with the Company, authorized by the County's resolution dated _____, 2004; and

WHEREAS, the County has caused to be presented to this meeting the form of the Fee Agreement by and between the County and the Company (the "Fee Agreement") which contains the agreement for the Company to pay a fee-in-lieu of tax for the Project in the County; and

WHEREAS, it appears that the Fee Agreement, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by Lexington County, South Carolina as follows:

Section 1. In order to promote industry, develop trade, and utilize and employ the manpower, products and natural resources of the State of South Carolina by assisting the Company to locate, acquire, and/or expand an industrial facility in the State of South Carolina, the Fee Agreement and the Inducement Agreement are hereby authorized, ratified and approved.

Section 2. It is hereby found, determined, and declared by the County Council, as follows:

- (a) The Project will constitute a "project" as said term is referred to and defined in the Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act.
- (b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County and the County has evaluated the Project based upon all criteria prescribed by law and has, to the extent needed, sought and received the assistance of the Department of Revenue or the Board of Economic Advisors.
- (c) The Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise adequately provided locally.
- (d) The Project gives rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either.
- (e) The purposes to be accomplished by the Project, *i.e.*, economic development, creation and retention of jobs, and addition to the tax base of the County, are proper governmental and public purposes.
- (f) The inducement of the location, acquisition, and/or expansion of the Project within the County and State is of paramount importance.
- (g) Taking into account all criteria prescribed by law, the benefits of the Project will be greater than the costs.

Section 3. The form, terms and provisions of the Fee Agreement presented to this meeting are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Fee Agreement was set out in this Ordinance in their entirety. The Chairman of the County Council is hereby authorized, empowered and directed to execute, acknowledge, and deliver the Fee Agreement in the name of and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company. The Fee Agreement is to be in substantially the form now before this meeting and is hereby approved, with such changes therein as shall be approved by the officials of the County executing the same, with advice of counsel, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.

Section 4. The Chairman of the County Council for and on behalf of the County, is hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County under and pursuant to the Fee Agreement, including the execution of any certificates in connection therewith.

Section 5. The provisions of this Ordinance are hereby declared to be severable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 6. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

Passed and approved this ____ day of _____, 2004.

**LEXINGTON COUNTY,
SOUTH CAROLINA**

By: _____
Chairman, County Council of
Lexington County, South Carolina

ATTEST:

By: _____
Clerk to County Council of
Lexington County, South Carolina

First Reading: _____, 2004
Second Reading: _____, 2004
Public Hearing: _____, 2004
Third Reading: _____, 2004

FEE AGREEMENT

Between

LEXINGTON COUNTY, SOUTH CAROLINA

and

PELLA CORPORATION

an Iowa Corporation

Dated _____, 2004

TABLE OF CONTENTS

	Page
RECITALS	1
ARTICLE I DEFINITIONS	2
ARTICLE II REPRESENTATIONS AND WARRANTIES	7
Section 2.1 Representations of the County.....	7
Section 2.2 Representations of the Company.....	8
ARTICLE III COMMENCEMENT AND COMPLETION OF THE PROJECT	8
Section 3.1 The Project.....	8
Section 3.2 Diligent Completion	9
ARTICLE IV PAYMENTS IN LIEU OF TAXES.....	10
Section 4.1 Negotiated Payments	10
Section 4.2 Infrastructure Credit	12
Section 4.3 Failure to Achieve Minimum Investment Requirements.	12
Section 4.4 Payments in Lieu of Taxes on Replacement Property.....	13
Section 4.5 Reductions in Payments of Taxes Upon Removal, Condemnation, or Casualty	14
Section 4.6 Place and Allocation of Payments in Lieu of Taxes.....	15
Section 4.7 Removal of Equipment.....	15
Section 4.8 Damage or Destruction of Project	15
(a) Election to Terminate	15
(b) Election to Rebuild	15
(c) Election to Remove	16
Section 4.9 Condemnation.....	16
(a) Complete Taking	16
(b) Partial Taking	17
Section 4.10 Confidentiality/Limitation on Access to Project	17
Section 4.11 Assignment and Subletting.....	18
ARTICLE V DEFAULT.....	18
Section 5.1 Events of Default	18
Section 5.2 Remedies on Default	19
Section 5.3 Delays No Waiver	20
Section 5.4 Reimbursement of Legal Fees and Expenses	20
ARTICLE VI MISCELLANEOUS	20
Section 6.1 Notices	20
Section 6.2 Binding Effect.....	21
Section 6.3 Counterparts.....	21

Section 6.4 Governing Law 21

Section 6.6 Amendments..... 22

Section 6.7 Further Assurance..... 22

Section 6.8 Severability..... 22

Section 6.9 Force Majeure..... 22

Section 6.10 Termination by Company 22

FEE AGREEMENT

THIS FEE AGREEMENT (the "Fee Agreement") is made and entered into as of _____, 2004, by and between LEXINGTON COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), acting by and through the Lexington County Council (the "County Council") as the governing body of the County, and PELLA CORPORATION (the "Company"), a corporation organized and existing under the laws of the State of Iowa.

RECITALS:

1. The County is authorized by Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the "Act") (i) to enter into a fee agreement with entities meeting the requirements of such Act, which identifies certain property of such entities as economic development property, (ii) to induce industries to locate in the State, and (iii) to encourage industries now located in the State to expand their investments and thus make use of and employ manpower, products, and other resources of the State.

2. Pursuant to the Act, the County finds that: (a) the Project (as defined herein) is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; (b) the Project gives rise to no pecuniary liability of the County or any incorporated municipality and to no charge against its general credit or taxing power; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the benefits of the Project are greater than the costs.

3. The County Council has evaluated the Project based on all criteria required by law that include, but are not limited to, the purposes to be accomplished by the Project, the

anticipated dollar amount and nature of the investment to be made, and the anticipated costs and benefits to the County.

4. Pursuant to an Inducement Agreement authorized by County resolution dated _____, 2004 (the "Inducement Agreement") between the County and the Company, the County agreed to provide certain incentives to the Company provided the Company invests at least \$22,000,000 in the County through the acquisition of land and improvements (including a building or buildings thereon), the renovation of buildings and the acquisition of personal property, including, but not limited to, machinery, equipment, and furniture which, when completed, will constitute a project within the meaning of the Act.

Pursuant to an Ordinance adopted on _____, 2004 (the "Fee Ordinance"), the County Council authorized the County to enter into a Fee Agreement with the Company which classifies the property comprising the Project as Economic Development Property under the Act as further described herein.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 The terms defined in this Article shall for all purposes of this Fee Agreement have the meanings herein specified, unless the context clearly requires otherwise:

"Act" shall mean Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended, and all future acts supplemental thereto or amendatory thereof.

"Commencement Date" shall mean the last day of the property tax year during which the Project or the first Phase thereof is placed in service, which date must not be later than the last

day of the property tax year which is three years from the year in which the County and the Company enter into this Fee Agreement.

“Company” shall mean Pella Corporation, an Iowa Corporation.

“County” shall mean Lexington County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina, its successors and assigns, acting by and through the County Council as the governing body of the County.

“County Council” shall mean the Lexington County Council, the governing body of the County.

“Diminution in Value” in respect of the Project or any Phase of the Project shall mean any reduction in the value based on original fair market value as determined in Step 1 of Section 4.1(a) of this Fee Agreement, of the items which constitute a part of the Project or such Phase which may be caused by (i) the Company’s removal and/or disposal of equipment pursuant to Section 4.7 of this Fee Agreement; (ii) a casualty to the Project or such Phase of the Project, or any part thereof, described in Section 4.8 of this Fee Agreement; or (iii) a condemnation of the Project or such Phase of the Project, or any part thereof, described in Section 4.9 of this Fee Agreement.

“Economic Development Property” shall mean each item of real and tangible personal property comprising the Project which is eligible for inclusion as economic development property under the Act, and which is identified by the Company in its annual filing of a SCDOR PT-300S or comparable form with the South Carolina Department of Revenue and Taxation (as such filing may be amended from time to time) for each year within the Investment Period.

“Equipment” shall mean all of the machinery, equipment, furniture and fixtures, together with any and all additions, accessions, replacements and substitutions thereto or therefor used or to be used in the County for the purposes described in Section 2.2(b) hereof.

“Event of Default” shall mean any event of default specified in Section 5.1 of this Fee Agreement.

“Exemption Period” shall mean the period beginning on the first day of the property tax year after the property tax year in which an applicable piece of Economic Development Property is placed in service and ending on the Termination Date. In case there are Phases of the Project, the Exemption Period applies to each year’s investment made during the Investment Period.

“Fee Agreement” shall mean this Fee Agreement.

“Fee Term” shall mean the period from the date of delivery of this Fee Agreement until the Termination Date unless sooner terminated or extended pursuant to the terms of this Fee Agreement.

“Improvements” shall mean all improvements to the Real Property, including buildings, building additions, roads, sewer lines, and infrastructure, together with any and all additions, fixtures, accessions, replacements, and substitutions thereto or therefor used or to be used in the county for the purposes described in Section 2.2(b) hereof.

“Inducement Agreement” shall mean the Inducement Agreement entered into between the County and the Company pursuant to County resolution dated _____, 2004.

“Investment Period” shall mean the period beginning the first day Economic Development property is purchased or acquired and ending five years after the Commencement Date; provided a later date may be agreed to by the Company and the County pursuant to Section 12-44-30(13) of the Act.

“Minimum Investment Requirements” shall mean an investment in the Project in the County of at least \$22,000,000 all as calculated and within the limits set forth in the Inducement Agreement.

“Phase” or “Phases” in respect of the Project shall mean that the Equipment, Improvements and Real Property, if any, of the Project are placed in service during more than one year in the Investment Period and the word “Phase” shall therefore refer to the applicable portion of the Project placed in service in a given year in the Investment Period.

“Project” shall mean any and all of the Equipment, Improvements, and Real Property used or to be used in the County for the purposes described in Section 2.2(b) hereof located at 375 Metropolitan Drive, West Columbia, County of Lexington, State of South Carolina, together with the costs of the acquisition, construction, installation, design and engineering thereof to the fullest extent permitted by law.

“Real Property” shall mean all real property used or to be used in the County for the purposes described in Section 2.2(b) hereof located at 375 Metropolitan Drive, West Columbia, County of Lexington, State of South Carolina, consisting of approximately 62.1 acres of land more particularly described on Exhibit A attached hereto, together with all and singular the rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto.

“Removed Components” shall mean the following types of components or Phases of the Project or portions thereof, all of which the Company shall be entitled to remove from the Project with the result that the same shall no longer be subject to the terms of the Fee Agreement:

(a) components or Phases of the Project or portions thereof which the Company, in its sole discretion, determines to be inadequate, obsolete, worn-out, uneconomic, damaged, unsuitable,

undesirable or unnecessary pursuant to Section 4.7 hereof or otherwise; or (b) components or Phases of the Project or portions thereof which the Company in its sole discretion elects to be treated as removed pursuant to Section 4.8(c) or Section 4.9(b)(iii) of this Fee Agreement.

“Replacement Property” shall mean any property which is placed in service as a replacement for any item of Equipment or any Improvement previously subject to this Fee Agreement regardless of whether such property serves the same functions as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment or any Improvement.

“Statutory Investment Requirement” shall mean an investment in the Project in the County of at least \$5,000,000, as required by the Act.

“Termination Date” shall mean the last day of a property tax year which is the nineteenth (19th) year following the first property tax year in which an applicable piece of Economic Development Property is placed in service, provided, that if this Fee Agreement is terminated earlier in accordance with the Act or the terms hereof, the Termination Date is the date this Fee Agreement is terminated, and provided further that it is the intention of the parties that at least twenty (20) fee-in-lieu of tax payments as calculated under 4.1 hereof shall have been made with respect to each phase of the Project.

Any reference to any agreement or document in this Article I or otherwise in this Fee Agreement shall be deemed to include any and all amendments, supplements, addenda, and modifications to such agreement or document.

Section 1.02 The term “investment” or “invest” as used herein shall include not only investments made by the Company, but also to the fullest extent permitted by law, those

investments made by or for the benefit of the Company in connection with the Project through federal, state or local grants.

Section 1.03 The recitals above are incorporated into the operative provisions of this document.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations of the County. The County hereby represents and warrants to the Company as follows:

(a) The County is a body politic and corporate and a political subdivision of the State which acts through the County Council as its governing body and by the provisions of the Act is authorized and empowered to enter into the transactions contemplated by this Fee Agreement and to carry out its obligations hereunder. The County has duly authorized the execution and delivery of this Fee Agreement and any and all other agreements described herein or therein and has obtained all consents from third parties and taken all actions necessary or required by law to enter into this Agreement and the Inducement Agreement and to authorize the fulfillment of its obligations hereunder.

(b) The Project constitutes a "project" within the meaning of the Act.

(c) By due corporate action, the County has agreed that each item of real and tangible personal property comprising the Project shall be considered Economic Development Property under the Act.

(d) The County has designated the Real Property (except for a parcel of 9.22 acres) an industrial development park (as defined in the Simplified FILOT) in accordance with South Carolina Code § 4-1-170.

(e) The Real Property was incorporated in such industrial development park prior to any improvements and buildings having been placed in service (as defined under the applicable South Carolina property tax laws, regulations and decisions).

(f) The Real Property is in an unincorporated part of the County, except for a 9.22 acre tract.

Section 2.2 Representations of the Company. The Company hereby represents and warrants to the County as follows:

(a) The Company is duly organized and in good standing under the laws of the State of Iowa, is qualified to do business in the State of South Carolina, has power to enter into this Fee Agreement, and has duly authorized the execution and delivery of this Fee Agreement.

(b) The Company intends to operate the Project as a “project” within the meaning of the Act as in effect on the date hereof. The Company intends to operate the Project for the purpose of production of doors and windows, and for such related purposes permitted under the Act as the Company may deem appropriate.

(c) Inasmuch as at present the Company anticipates that the cost of the Project will exceed \$5,000,000, the cost of the Project will exceed the minimum investment required by the Act.

ARTICLE III

COMMENCEMENT AND COMPLETION OF THE PROJECT

Section 3.1 The Project. The Company has made plans for the acquisition of land with real estate improvements thereon and the acquisition and installation of fixtures, machinery and equipment, which together comprise the Project and which are anticipated to constitute

approximately \$22,000,000 in investment in the County and are anticipated to create approximately 450 new full-time jobs in the County.

Pursuant to the Act and subject to Section 4.3 hereof, the Company and the County hereby agree that the property comprising the Project shall be Economic Development Property as defined under the Act and shall therefore be exempt from all *ad valorem* taxation during the Exemption Period. Anything contained in this Agreement to the contrary notwithstanding the Company shall not be obligated to complete the acquisition of the Project. However, if the Company does not meet the Minimum Investment Requirements, this Fee Agreement shall be modified as provided in Section 4.3 hereof.

Section 3.2 Diligent Completion. The Company agrees to use its reasonable efforts to cause the acquisition, construction, and installation of the Project to be completed as soon as practicable, but in any event on or prior to the end of the Investment Period.

Section 3.3 Filing.

The Company shall cause a copy of this Agreement, as well as a copy of the completed form PT-443 of the Department, to be filed with the County Auditor, the County Assessor and the Department within thirty (30) days after the date of execution and delivery hereof, as well as with the auditors and assessors for all counties participating in the industrial development park if the Project is located in such a park. The Company also agrees to deliver to the County Auditor, the County Assessor, and the County Treasurer a copy of any form or return filed with the South Carolina Department of Revenue. The County agrees to make these forms and returns available to any County Auditor or any County participating in the industrial development park (as defined in the Act) in which the Project is located.

Section 3.4 Waiver of Recapitulation of Contents of Fee Agreement. The parties agree to waive the recapitulation of the contents of this Fee Agreement as allowed by Section 12-44-55 of the Act

ARTICLE IV

PAYMENTS IN LIEU OF TAXES

Section 4.1 Negotiated Payments.

(a) Pursuant to Section 12-44-50 of the Act, the Company is required to make payments in lieu of *ad valorem* taxes to the County with respect to the Project. Inasmuch as the Company anticipates the Project will involve an initial investment of sums sufficient to qualify to enter into a negotiated fee in lieu of tax arrangement under Section 12-44-50(A)(1) of the Act and this Agreement, the County and the Company have negotiated the amount of the payments in lieu of taxes. In accordance therewith, the Company shall make payments in lieu of *ad valorem* taxes on all Economic Development Property which comprises the Project and is placed in service, as follows: the Company shall make payments in lieu of *ad valorem* taxes during the Exemption Period with respect to the entire Project or, if there are Phases of the Project, with respect to each Phase of the Project, said payments to be made annually and to be due and payable and subject to penalty assessments on the same dates and in the same manner as prescribed by the County for *ad valorem* taxes. The amount of such annual payments in lieu of taxes shall be determined by the following procedure (subject, in any event, to the required procedures under the Act):

- Step 1: Determine the fair market value of the Project (or Phase of the Project) placed in service during the Exemption Period, provided (i) if Real Property is constructed for the fee or is purchased in an arms length transaction, fair market value is deemed to equal the original income tax basis for State income tax purposes without regard to depreciation, otherwise, the property must be reported at its fair market value for ad

valorem taxes as determined by appraisal (the fair market value estimate established for the first year of the fee remains the fair market value of the real property for the life of the fee); and (ii) fair market value for personal property is determined by using the original income tax basis for State income tax purposes less depreciation allowable for property tax purposes, except that no extraordinary obsolescence shall be allowable. These values shall be determined by taking into account all applicable property tax exemptions which would be allowed to the Company under State law, if the property were taxable, except those exemptions specifically disallowed under Section 12-44-50(A)(2) of the Act.

Step 2: Apply an assessment ratio of seven (7.0%) percent to the fair market value as determined for each year in Step 1 to establish the taxable value of the Project (or each Phase of the Project) in the year it is placed in service and in each of the nineteen years thereafter, or such longer period of years that the annual fee payment is permitted to be made by the Company under the Act if such longer period is approved by the County in writing.

Step 3: Use a fixed millage rate equal to the millage rate in effect on June 30, 2004 (which the parties believe is 380.844 mills, except with respect to a parcel of approximately 9.22 acres which millage rate the County is in the process of determining) during the Exemption Period against the taxable value determined in Step 2, above, to determine the amount of the payments in lieu of taxes which would be due during the Exemption Period on the payment dates prescribed by the County for such payments or such longer period of years that the annual fee payment is permitted to be made by the Company under the Act, as amended.

(b) In the event that it is determined by a final order of a court of competent jurisdiction or by agreement of the parties that the minimum payment in lieu of taxes applicable to this transaction is to be calculated differently than described above, the payment shall be reset at the minimum permitted level so determined.

(c) In the event that the Act and/or the above-described payments in lieu of taxes are declared invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions that such payments be reformed so as to most closely effectuate the intent thereof and so as to afford the Company with the benefits to be derived herefrom, it being the intention of the

County to offer the Company a strong inducement to locate the Project in the County. Subject to Section 4.2 hereof, the Project is deemed to be subject to *ad valorem* taxation, this Agreement shall terminate and the Company shall pay regular property taxes from that point forward as levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units but with appropriate reductions equivalent to all tax exemptions which would be afforded to the Company if the Project was and had not been Economic Development Property under the Act. In such event, any amount determined to be due and owing to the County from the Company, with respect to a year or years for which payments in lieu of *ad valorem* taxes have been previously remitted by the Company to the County hereunder, shall be reduced by the total amount of payments in lieu of *ad valorem* taxes made by the Company with respect to the Project pursuant to the terms hereof to the maximum extent permitted by law.

Section 4.2 Infrastructure Credit. The County agrees that in case the FILOT incentive described herein is found to be invalid or otherwise does not provide the Company with the economic benefit it is intended to receive from the County as an inducement to locate in the County, the savings lost as a result of such invalidity will be considered a special source revenue credit or infrastructure improvement credit to the Company to the maximum extent permitted by law and the County will provide a special source revenue credit or infrastructure improvement credit against all FILOT payments or fee payments made or to be made by the Company equal to the amount that the Company would have saved if the FILOT had been valid, to the maximum extent permitted by law.

Section 4.3 Failure to Achieve Minimum Investment Requirements.

(a) In the event that: (i) the Project has not reached the Minimum Investment Requirement, or (ii) the Project has not resulted in the creation of at least 450 new fulltime jobs, each no later than by the end of the Investment Period, the payment in lieu of *ad valorem* taxes to be paid to the County by the Company shall terminate retroactively and the Company shall become obligated from that point forward to pay either: (i) a fee (assuming the Project remains exempt from property taxes due to its location in an industrial development park) equal to the normally applicable property taxes (with all applicable exemptions), with a credit to the Company for all fee payments previously made; or (ii) regular property taxes (in case the Project is no longer located in an industrial development park) with appropriate reductions equivalent to all tax exemptions which would be afforded to the Company in such a case and a credit for all fee payments previously made. In case the Project does not maintain the Minimum Investment Requirement (without regard to depreciation) and the minimum job creation of 450 jobs, during the term of the Agreement, the FILOT incentive shall terminate prospectively only.

Section 4.4 Payments in Lieu of Taxes on Replacement Property. If the Company elects to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Project, or the Company otherwise utilizes Replacement Property, then, pursuant and subject to Section 12-44-60 of the Act, the Company shall make statutory payments in lieu of *ad valorem* taxes with regard to such Replacement Property as follows:

- (i) Replacement Property does not have to serve the same function as property it is replacing. Replacement Property is deemed to replace the oldest property subject to the FILOT, whether real or personal, which is disposed of in the same property tax year as the Replacement Property is placed in service.

Replacement Property qualifies for FILOT treatment as Economic Development Property up to the original income tax basis of Economic Development Property which is disposed of in the same property tax year. More than one piece of property can replace a single piece of Economic Development Property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for the FILOT Agreement. Replacement Property is entitled to the FILOT payment for the period of time remaining during the Exemption Period for the Economic Development Property which it is replacing; and

(ii) The new Replacement Property which qualifies for the FILOT payment shall be recorded using its income tax basis and the FILOT payment shall be calculated using the millage rate and assessment ratio provided on the original property subject to FILOT payment.

Section 4.5 Reductions in Payments of Taxes Upon Removal, Condemnation, or Casualty. In the event of a Diminution in Value of the Project or any Phase of the Project, the payment in lieu of taxes with regard to the Project or that Phase of the Project shall be reduced in the same proportion as the amount of such Diminution in Value bears to the original fair market value of the Project or that Phase of the Project as determined pursuant to Step 1 of Section 4.1(a) hereof; *provided, however*, and in any event, that if at any time subsequent to the end of the Investment Period, the total value of the Project based on the original income tax basis of the Equipment, Real Property, and Improvements contained therein, without deduction for

depreciation, is less than \$22,000,000 beginning with the first payment thereafter due hereunder and continuing until the end of the Fee Term, the FILOT incentive shall terminate.

Section 4.6 Place and Allocation of Payments in Lieu of Taxes. The Company shall make the above-described payments in lieu of taxes directly to the County in accordance with applicable law.

Section 4.7 Removal of Equipment. Subject, always, to Section 4.5 hereof, the Company shall be entitled to remove components or Phases of the Project from the Project in its sole discretion with the result that said components or Phases shall no longer be considered a part of the Project and shall no longer be subject to the terms of this Fee Agreement to the fullest extent allowed by the Act, as amended. Economic Development Property is disposed of only when it is scrapped or sold or if it is removed from the Project. If it is removed from the Project, it is subject to ad valorem taxes to the extent the Economic Development Property remains in the State.

Section 4.8 Damage or Destruction of Project.

(a) Election to Terminate. In the event the Project is damaged by fire, explosion, or any other casualty, the Company shall be entitled to terminate this Agreement provided, however, in such event, and to the extent permitted by law, the Company shall only be required to make fee-in-lieu of tax payments as to all or any part of the tax year in which the damage or casualty occurs to the extent property subject to *ad valorem* taxes would otherwise have been subject to such taxes under the same circumstances for the period in question.

(b) Election to Rebuild. In the event the Project is damaged by fire, explosion, or any other casualty, and if the Company does not elect to terminate this Agreement, the Company may commence to restore the Project with such reductions or enlargements in the scope of the

Project, changes, alterations, and modifications (including the substitution and addition of other property) as may be desired by the Company, subject always to Section 4.5, hereof. All such restorations and replacements shall be considered, to the fullest extent permitted by law, substitutions of the destroyed portions of the Project and shall be considered part of the Project for all purposes hereof, including, but not limited to any amounts due by the Company to the County under Section 4.1 hereof. To the extent allowed by law, the Company shall only be required to make fee-in-lieu of tax payments after such damage or other casualty occurs to the extent property subject to ad valorem taxes would otherwise have been subject to such taxes under the same circumstances for the period in question.

(c) Election to Remove. In the event the Company elects not to terminate this Agreement pursuant to subsection (a) and elects not to rebuild pursuant to subsection (b), the damaged portions of the Project shall be treated as Removed Components.

Section 4.9 Condemnation.

(a) Complete Taking. If at any time during the Fee Term title to or temporary use of the entire Project should become vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation or the right of eminent domain, or by voluntary transfer under threat of such taking, or in the event that title to a portion of the Project shall be taken rendering continued occupancy of the Project commercially unfeasible in the judgment of the Company, the Company shall have the option to terminate this Fee Agreement as of the time of vesting of title by sending written notice to the County within a reasonable period of time following such vesting, provided, however, in such event, and to the extent allowed by law, the Company shall only be required to make fee-in-lieu of tax payments as to all or any part of the tax year in which the damage or casualty occurs to the extent property

subject to *ad valorem* taxes would otherwise have been subject to such taxes under the same circumstances for the period in question.

(b) Partial Taking. In the event of a partial taking of the Project or a transfer in lieu thereof, the Company may elect: (i) to terminate this Fee Agreement, provided, however, in such event, and to the extent allowed by law, the Company shall only be required to make fee-in-lieu of tax payments as to all or any part of the tax year in which the taking occurs to the extent property subject to *ad valorem* taxes would otherwise have been subject to such taxes under the same circumstances for the period in question.; (ii) subject to Section 4.5 hereof, to repair and restore the Project, with such reductions or enlargements in the scope of the Project, changes, alterations, and modifications (including the substitution and addition of other property) as may be desired by the Company and all such changes, alterations, and modifications shall be considered as substitutions of the taken parts of the Project; or (iii) to treat the portions of the Project so taken as Removed Components.

Section 4.10 Confidentiality/Limitation on Access to Project. The County acknowledges and understands that the Company utilizes confidential and proprietary “state of the art” manufacturing equipment and techniques and that any disclosure of any information relating to such equipment or techniques, including but not limited to disclosures of financial or other information concerning the Company’s operations could result in substantial harm to the Company and could thereby have a significant detrimental impact on the Company’s employees and also upon the Company. Therefore, the County agrees that, except as required by law and pursuant to the County’s police powers, or as otherwise required herein, neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to receive any such confidential or proprietary information; (ii) shall request or be entitled to inspect the

Project, or any property associated therewith; *provided, however*, that if an Event of Default shall have occurred and be continuing hereunder, the County shall be entitled to inspect the Project provided they shall comply with the remaining provisions of this Section; or (iii) shall knowingly and voluntarily disclose or otherwise divulge any such confidential or proprietary information to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by State law. Prior to disclosing any confidential or proprietary information or allowing inspections of the Project, or any property associated therewith, the Company may require the execution of reasonable, individual, confidentiality and non-disclosure agreements by any officers, employees or agents of the County or any supporting or cooperating governmental agencies who would gather, receive, or review such information or conduct or review the results of any inspections.

Section 4.11 Assignment . With the prior written consent of the County (unless such consent is expressly not required pursuant to Section 12-44-120 of the Act or any successor provision), this Fee Agreement may be assigned in whole or in part by the Company. The transferee, for purposes of calculating the fee due hereunder, assumes the current basis the Company has in the Economic Development Property.

ARTICLE V

DEFAULT

Section 5.1 Events of Default. The following shall be “Events of Default” under this Fee Agreement, and the term “Events of Default” shall mean, whenever used with references to this Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Company to make the payments in lieu of taxes described in Section 4.1 hereof, provided, however, the Company shall further be entitled to all notices, cure periods and redemption rights granted by applicable statutes; or

(b) Failure by the County to perform any of the terms, conditions, obligations, or covenants hereunder, which failure shall continue for a period of thirty (30) days after written notice from the Company to the County specifying such failure and requesting that it be remedied, unless the County shall have instituted corrective action within such time period and is diligently pursuing such action until the default is corrected, in which case the thirty (30) day period shall be extended to cover such additional period during which the County is diligently pursuing corrective action.

Section 5.2 Remedies on Default.

(a) Whenever any Event of Default by the Company shall have occurred and shall be continuing, the County may take any one or more of the following remedial actions:

- (1) terminate the Fee Agreement; or
- (2) take whatever action at law or in equity may appear necessary or desirable to collect the amounts due hereunder, including the remedies for the collection of property taxes as provided for in Section 12-44-90. In no event shall the Company be liable to the County or any third party or otherwise for monetary damages resulting from the Company's failure to meet the Minimum Investment Requirements.

(b) Whenever any Event of Default by the County shall have occurred or shall be continuing, the Company may take one or more of the following actions:

- (1) bring an action for specific enforcement; or

- (2) terminate the Fee Agreement; or
- (3) withhold so much of the payment as is in dispute with the County until such dispute is fully and finally resolved; or
- (4) bring such other action as it deems necessary or appropriate.

Section 5.3 Delays No Waiver. No delay or omission to exercise any right or power accruing upon any continuing default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 5.4 Reimbursement of Legal Fees and Expenses. Upon the occurrence of an Event of Default hereunder, should a party be required to employ attorneys or incur other reasonable expenses for the successful collection of payments due hereunder or for the successful enforcement of performance or observance of any obligation or agreement on the part of the other party contained herein, such other party will, within thirty (30) days of demand therefor, reimburse the customary and reasonable fees of such attorneys and such other reasonable expenses so incurred by the prevailing party.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Notices. Any notice, election, demand, request or other communication to be provided under this Fee Agreement shall be effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, restricted delivery, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where

the terms hereof require receipt rather than sending of any notice, in which case such provision shall control:

Pella Corporation

Lexington County, South Carolina
Attention: County Manager
Lexington County Courthouse
Lexington, S.C. 29072

Section 6.2 Binding Effect. This Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Company and the County and their respective successors and assigns, to the extent permitted by law. In the event of the dissolution of the County or the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations, promises and agreements of this Fee Agreement shall, to the extent permitted by law, bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 6.3 Counterparts. This Fee Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 6.4 Governing Law. This Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State.

Section 6.6 Amendments. The provisions of this Fee Agreement may only be modified or amended in writing by any agreement or agreements entered into between the parties.

Section 6.7 Further Assurance. From time to time, and at the expense of the Company, the County agrees to execute and deliver to the Company such additional instruments as the Company may reasonably request to effectuate the purposes of this Fee Agreement.

Section 6.8 Severability. If any provision of this Fee Agreement is declared illegal, invalid or unenforceable for any reason, the remaining provisions hereof shall be unimpaired and such illegal, invalid or unenforceable provision shall be reformed so as to most closely effectuate the legal, valid and enforceable intent thereof and so as to afford the Company with the maximum benefits to be derived herefrom, it being the intention of the County to offer the Company the strongest inducement possible to locate the Project in the County.

Section 6.9 Force Majeure. The Company shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fires, floods, inability to obtain materials, conditions arising from governmental orders or regulations, war or national emergency, acts of god, any and other cause, similar or dissimilar, beyond the Company's reasonable control.

Section 6.10 Termination by Company. The Company is authorized to terminate this Fee Agreement at any time upon providing the County with 30 days' notice; *provided, however,* that any monetary obligations existing hereunder and due and owing at the time of termination to a party hereto shall survive such termination. Upon such termination (or any other termination of this Agreement) the Project shall become subject to regular property taxes again (or a fee equivalent to such regular property taxes in case the Project is in an industrial development

park), it being the intention of the parties that none of the components of the Project shall, at any time, be subject to both regular ad valorem taxation and fee in lieu of tax payments which would result in double taxation.

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and behalf by the County Chairman and to be attested by the Clerk of the County Council; and the Company has caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

[Remainder of Page Intentionally Left Blank]

**LEXINGTON COUNTY,
SOUTH CAROLINA**

By: _____
Chairman of County Council
Lexington County, South Carolina

ATTEST:

Clerk to County Council
Lexington County, South Carolina

PELLA CORPORATION

By: _____
Its: _____
Date: _____

EXHIBIT A

Land Description

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

ORDINANCE NO. 04-09

AN ORDINANCE TO AMEND AN AGREEMENT RELATING TO THE JOINT COUNTY INDUSTRIAL AND BUSINESS PARK OF LEXINGTON AND CALHOUN COUNTIES.

WHEREAS, pursuant to an Ordinance enacted September 11, 1995, by Lexington County Council, Lexington County entered into an Agreement for Development of Joint County Industrial Park dated December 11, 1995 (as subsequently amended), with Calhoun County (the "Agreement"); and

WHEREAS, it is now desired that the Agreement be amended as provided in the attached Amendment to Agreement for Development of Joint County Industrial Park dated December 11, 1995, as amended (the "Amendment").

NOW, THEREFORE, be it ordained by Lexington County Council that the Agreement is hereby and shall be amended as provided in the Amendment attached to this Ordinance, and that the Chairman of Lexington County Council and the Clerk to said County Council are hereby authorized to execute and deliver the Amendment.

DONE in meeting duly assembled this day of , 2004.

LEXINGTON COUNTY, SOUTH CAROLINA

Chairman, Lexington County Council

ATTEST:

Clerk to County Council

1st Reading: _____

2nd Reading: _____

3rd Reading: _____

Public Hearing: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

I, the undersigned Clerk to County Council of Lexington County, South Carolina, do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given reading, and received majority approval, by the County Council at meetings of _____, 2004, _____, 2004, and _____, 2004, at which meetings a quorum of members of County Council were present and voted, and an original of which ordinance is filed in the permanent records of the County Council.

Clerk, Lexington County Council

Dated: _____, 2004

STATE OF SOUTH CAROLINA)	AMENDMENT TO AGREEMENT FOR
)	DEVELOPMENT OF JOINT COUNTY
COUNTY OF LEXINGTON)	INDUSTRIAL PARK
)	
COUNTY OF CALHOUN)	

THIS AMENDMENT is entered into as of this ____ day of _____, 2004, between **LEXINGTON COUNTY, SOUTH CAROLINA** and **CALHOUN COUNTY, SOUTH CAROLINA**.

1. By authority of ordinance enacted by the County Council of Lexington County on _____, 2004, and ordinance no. _____ enacted by the County Council of Calhoun County on _____, 2004, for value received, Lexington County and Calhoun County hereby agree as follows:

- a. Section 9(C) of the Agreement is hereby amended by adding the following language thereto:

“Notwithstanding the above, in all cases (i) all taxing districts which overlap the applicable properties within the Park shall receive some portion of the revenues generated from such properties, and (ii) all revenues received by a school district in a fiscal year shall be allocated to operations and maintenance and to debt service in the same properties as such school district’s tax millage rates for operations and maintenance and debt service bear to each other in such fiscal year.”

- b. The site more particularly described on Exhibit A attached hereto which was previously added to the Agreement is hereby affirmed to be a part of the Agreement and is therefore located in a Multi-County Business/Industrial Park or Industrial Development Park as provided in S.C. Code §4-1-170.
- c. All other terms and provisions of said Agreement shall remain in full force and effect.

WITNESS our hands and seals as of the day first above written.

**LEXINGTON COUNTY,
SOUTH CAROLINA**

By: _____
Chairman, Lexington County Council

ATTEST:

Clerk, Lexington County Council

**CALHOUN COUNTY,
SOUTH CAROLINA**

By: _____
Chairman, Calhoun County Council

ATTEST:

Clerk, Calhoun County Council

2

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR LEXINGTON COUNTY
ORDINANCE NO. 04-16

AUTHORIZING AN AMENDMENT TO THE AGREEMENT FOR DEVELOPMENT OF JOINT COUNTY INDUSTRIAL PARK BY AND BETWEEN LEXINGTON COUNTY, SOUTH CAROLINA AND NEWBERRY COUNTY, SOUTH CAROLINA, IN ORDER TO EXPAND THE BOUNDARIES OF THE PARK TO INCLUDE CERTAIN PROPERTY OWNED BY SHAKESPEARE COMPOSITE STRUCTURES LLC, TO AMEND CERTAIN PROVISIONS RELATED TO FEE IN LIEU OF TAXES AND OTHER MATTERS RELATED THERETO.

WHEREAS, Newberry County, South Carolina ("Newberry County") and Lexington County, South Carolina ("Lexington County") (collectively, the "Counties"), as authorized under Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (the "Act"), have jointly developed an Industrial Park (the "Park") pursuant to the Agreement for Development of Joint County Industrial Park dated July 28, 1998 (the "Park Agreement"); and

WHEREAS, in response to requests from companies seeking to invest in either Newberry County or Lexington County, the Counties have heretofore expanded the boundaries of the Park to include additional property, which inclusion has afforded the requesting companies additional tax benefits under South Carolina law; and

WHEREAS, Shakespeare Composite Structures LLC (the "Company"), has requested that the Counties expand the boundaries of the Park to include the Company's property located in Newberry County and described in the attached **Exhibit A** (the "Property"); and

WHEREAS, the Counties now desire to expand the boundaries to include the Company's property; and

WHEREAS, the Counties further desire to amend Section 11 of the Park Agreement related to certain fee in lieu of taxes matters.

NOW, THEREFORE, BE IT ORDAINED BY THE LEXINGTON COUNTY COUNCIL AS FOLLOWS:

Section 1. Expansion of Park Boundaries. There is hereby authorized an expansion of the Park boundaries to include the Property. The County Council Chair, the County Administrator and the Clerk to the County Council are hereby authorized to execute such documents and take such further actions as may be necessary to complete the expansion of the Park boundaries. The expansion shall be complete upon the adoption of this Ordinance by the Lexington County Council and a companion Ordinance by the Newberry County Council.

Section 2. Additional Amendment to Park Agreement. Section 11 of the Park Agreement is hereby amended and restated to provide:

11. Fees in Lieu of Taxes Pursuant to Section 4-29-67 or Section 4-12-10 et seq. or Section 12-44-10 et seq., Code of Laws of South Carolina. It is hereby agreed that the entry by Newberry County or Lexington County into any one or

more agreements pursuant to Section 4-29-67 or Section 4-12-10 et. Seq. or Section 12-44-10 et seq. with respect to property located within the Newberry Park or the Lexington Park and the terms of such agreements shall be at the sole discretion of the County in which the park site is located.

The County Council Chair, the County Administrator and the Clerk to County Council are hereby authorized to execute such documents and take such further actions as may be necessary to evidence this amendment. This amendment to the Park Agreement shall be complete upon the adoption of this Ordinance by the Lexington County Council and a companion Ordinance by the Newberry County Council.

Section 3. Savings Clause. If any portion of this Ordinance shall be deemed unlawful, unconstitutional or otherwise invalid, the validity and binding effect of the remaining portions shall not be affected thereby.

Section 4. General Repealer. Any prior Ordinance, the terms of which are in conflict herewith, is, only to the extent of such conflict, hereby repealed.

Section 5. Effectiveness. This Ordinance shall be effective after third and final reading.

LEXINGTON COUNTY, SOUTH CAROLINA

Chair, County Council
Lexington County, South Carolina

(SEAL)

ATTEST:

Clerk to County Council
Lexington County, South Carolina

READINGS:

First Reading: _____
Second Reading: _____
Third Reading: _____
Public Hearing: _____

Exhibit A

Legal Description

(19845 US Highway 76, Newberry, SC)

All that certain piece, parcel or tract of land, situate, lying and being in Tax District No. 1, in the County of Newberry, in the State of South Carolina, containing twenty-four and twenty-four one-hundredths (24.24) acres, more or less, and being shown on a plat of same prepared by Walton B. Halfacre, Surveyor, dated September 30, 1964, which plat is recorded in the Clerk's office for Newberry County in Plat Book U at page 78 and being bounded as shown on said plat as follows: on the north by right of way of CN&L Railroad; on the east by lands of Ralph Granville Boozer; on the south by State Highway No. 76; and on the west by lands of Ralph S. Boazman and Harriett B. Boazman.

TOGETHER WITH AN EASEMENT RECORDED IN MISC. BOOK 18, PAGE 30.

LESS AND EXCEPTING:

That certain parcel of land conveyed to Ralph Granville Boozer from C/P Corporation dated 07/14/1966, recorded in Book 91, page 107.

TMS#337-1-11

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

I, the undersigned, Clerk to County Council of Lexington County ("County Council"),
DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance adopted
by the County Council. The Ordinance was read and received a favorable vote at three public
meetings of the County Council on three separate days. At least one day passed between first and
second reading and at least seven days between second and third reading. At each meeting, a
quorum of the County Council was present and remained present throughout the meeting.

The Ordinance is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my Hand and the Seal of Lexington
County Council, South Carolina, as of this ____ day of _____, 2004.

Lexington County, South Carolina

Clerk to Lexington County Council

STATE OF SOUTH CAROLINA)
)
COUNTY OF NEWBERRY)
)
COUNTY OF LEXINGTON)

AMENDMENT TO THE
AGREEMENT FOR DEVELOPMENT OF
JOINT COUNTY INDUSTRIAL PARK

THIS AMENDMENT (this "Amendment") to the Agreement for Development of Joint County Industrial Park dated July 28, 1998 by and between Lexington County and Newberry County (the "Agreement"), each a political subdivision of the State of South Carolina, is entered into as of this day of , 2004.

WHEREAS, Newberry County, South Carolina ("Newberry County") by Ordinance dated _____, 2004, and Lexington County, South Carolina ("Lexington County") by Ordinance dated _____, 2004, have each approved an amendment to Section 11 of the Agreement and desire to evidence such amendment by this Amendment;

NOW THEREFORE, in consideration of the recitals above and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Section 11 of the Park Agreement is hereby amended and restated in its entirety as follows:

11. Fees in Lieu of Taxes Pursuant to Section 4-29-67 or Section 4-12-10 et. Seq. or Section 12-44-10 et seq., Code of Laws of South Carolina. It is hereby agreed that the entry by Newberry County or Lexington County into any one or more agreements pursuant to Section 4-29-67 or Section 4-12-10 et. Seq. or Section 12-44-10 et seq. with respect to property located within the Newberry Park or the Lexington Park and the terms of such agreements shall be at the sole discretion of the County in which the park site is located.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

WITNESS our Hands and Seals this ____ day of _____, 2004.

NEWBERRY COUNTY, SOUTH CAROLINA

By: _____
Chair, County Council

By: _____
County Administrator

ATTEST: _____

Clerk to County Council

LEXINGTON COUNTY, SOUTH CAROLINA

By: _____
Chair, County Council

By: _____
County Administrator

ATTEST: _____

Clerk to County Council

RESOLUTION

AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT WITH THE CAPITAL TRUST AGENCY AND OTHER MATTERS RELATED THERETO.

Incident to the adoption of this Resolution, the County Council of Lexington County, South Carolina (the "County Council"), the governing body of Lexington County, South Carolina (the "County"), has made the following findings:

WHEREAS, the Atlantic Housing Foundation, Inc. (the "Company") represents it is a non-profit corporation that has been formed for the purpose, among other things, of promoting affordable housing by acquiring, constructing, furnishing, equipping, owning and operating housing facilities; and

WHEREAS, the Company owns and operates a housing facility within the County (the "Facility"), as identified on Exhibit A hereto; and

WHEREAS, the Company also owns similar housing facilities in other South Carolina counties, the State of Texas and the State of Florida (collectively, the "Properties"); and

WHEREAS, the Company is seeking to refinance the Properties at a lower interest rate by pooling them and using the aggregate revenues to secure revenue bonds (the "Bonds") to be issued by the Capital Trust Agency, a public agency organized under the laws of the State of Florida (the "Issuer"); and

WHEREAS, because the Facility is located within the jurisdiction of the County, the Issuer is seeking the County's acknowledgement and approval of its issuance of the Bonds, the proceeds of which will be used in part to refinance the Facility; and

WHEREAS, the Issuer has requested that the County's acknowledgement and approval be evidenced by its execution and delivery of the attached Interlocal Agreement (the "Agreement") between the County and the Issuer (see Exhibit B); and

WHEREAS, under the terms of the Agreement it is clearly stated that the Bonds are obligations solely of the Issuer and do not constitute an indebtedness, an obligation, or a loan of the credit of the County. Furthermore, the Bonds do not create a moral obligation on the part of the County with respect to the payment thereof; and

WHEREAS, it is in keeping with the County's corporate powers to promote the availability of affordable housing for its citizens.

NOW THEREFORE, BE IT RESOLVED, by the County Council as follows:

Section 1. The Chair of the County Council and the County Administrator are hereby authorized and directed to execute the Agreement, the form of which is attached hereto, in the name of and on behalf of the County, subject to the approval of any revisions thereto by the County Administrator and the County Attorney, which revisions shall be deemed approved upon Chair's execution of the Agreement, and the Clerk of the County Council is hereby authorized and directed to attest the same; and the Chair is hereby further authorized and directed to deliver said executed Agreement to the Company.

Section 2. All orders, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This Resolution shall take effect and be in full force from and after its passage by the County Council.

Done in a meeting duly assembled this ____ day of _____ 2004.

LEXINGTON COUNTY, SOUTH CAROLINA

Chairman of County Council,
Lexington County, South Carolina

ATTEST:

Clerk to County Council,
Lexington County, South Carolina

Exhibit A

Description of Facility

Stoney Creek Apartments
18 Berryhill Road
Columbia, SC 29210

Exhibit B

Form of Interlocal Agreement

INTERLOCAL AGREEMENT

This AGREEMENT made and entered into this ____ day of _____, 2004, by and between the CAPITAL TRUST AGENCY, a legal entity duly created under Chapters 163, Part I and 617, Florida Statutes (hereinafter referred to as the "*Issuer*"), and Lexington County, South Carolina a body politic and corporate existing under the law of the State of South Carolina (hereinafter referred to as the "*Local Government*");

WITNESSETH:

WHEREAS, the Issuer is a public agency of the State of Florida, organized and existing under the provisions of Chapter 163, Part I, and Chapter 159, Part II, Florida Statutes, Ordinance 5-97 of the City of Gulf Breeze, Florida, and other applicable provisions of law (collectively the "*Act*"), and is empowered pursuant to the Act to issue revenue bonds for the purpose of providing funds to pay all or any part of the cost of any project (as defined in the Act); and

WHEREAS, Atlantic Housing Foundation, Inc. (the "*Company*"), a nonprofit corporation qualified to do business in Florida and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*Code*") and exempt from federal income tax under Section 501(a) of the Code, has been formed for the purpose, among other things, of promoting affordable housing by acquiring, constructing, furnishing, equipping, owning and operating housing facilities, has requested that the Issuer issue its revenue bonds in one or more series and loan the proceeds of such bonds to the Company for the purpose of financing housing facilities, as described on Schedule I attached hereto (the "*Local Project*") within the jurisdiction of the Local Government and

WHEREAS, the Local Project is located within the jurisdiction of the Local Government and is intended to provide decent, safe, and sanitary housing at affordable prices for residents of the Local Government in furtherance of the public and corporate purposes of the Local Government; and

WHEREAS, the Company can realize economies of scale in having the Issuer finance the Local Project along with other Projects of the Company located in other jurisdictions, and the utilization of a single Issuer will decrease burdens upon administrative resources of other issuers located in the State of South Carolina and other states; and

WHEREAS, the Issuer intends to issue not exceeding \$540,000,000 Capital Trust Agency, Revenue Bonds, Series 2004 (Atlantic Housing Foundation Project) (the "*2004 Bonds*") from time to time in one or more series to provide the financing requested by the Company for the Local Project; and

NOW THEREFORE, the parties agree as follows:

Section 1. 2004 Bonds. The Local Government hereby acknowledges (i) that the Issuer intends to issue and apply sufficient proceeds of the 2004 Bonds from time to time for the purpose of financing the Local Project by making funds available to the Company for the Local

Project, (ii) that the Local Government is not considering nor does it intend to consider financing the Local Project through the issuance of bonds by the Local Government and (iii) that the financing of the Local Project by the Issuer will further the corporate and public purposes of the Local Government.

THE 2004 BONDS ARE OBLIGATIONS SOLELY OF THE ISSUER AND DO NOT CONSTITUTE AN INDEBTEDNESS, AN OBLIGATION, OR A LOAN OF THE CREDIT OF THE LOCAL GOVERNMENT. FURTHERMORE, THE BONDS DO NOT CREATE A MORAL OBLIGATION ON THE PART OF THE LOCAL GOVERNMENT WITH RESPECT TO PAYMENT OF THE 2004 BONDS.

Furthermore, it is expressly understood and agreed that neither the Local Government nor any of its directors, officers, employees or agents are acting as fiduciary or agent of the Issuer or any other party, and neither the Local Government nor any of its directors, officers, employees or agents shall be liable or responsible for (a) the payment of any amounts owing on or with respect to the 2004 Bonds; (b) the use or application by the trustee of any funds or earnings payable to the trustee under the financing documents; (c) any acts or omissions of the trustee with respect to the 2004 Bonds or under the indenture or any other document or agreement relating to the 2004 Bonds (collectively, the "*Bond Documents*"); (d) the validity or enforceability of the 2004 Bonds or any of the Bond Documents; and (e) the trustee's performance of its obligations under any of the Bond Documents. Without limiting the foregoing, the Local Government shall have no duty to comply with the terms of any of the Bond Documents or to ascertain whether the trustee is in compliance therewith.

Section 2. Administration. The Issuer hereby assumes responsibility for administering the financing of the Local Project by and through its employees, agents and officers; *provided, however*, that the Local Government retains and reserves its right to require reasonable reporting on programs operated within its jurisdiction. The Issuer and its agents shall provide the Local Government with such reports as may be necessary to account for funds generated by the Local Project, upon written request.

The Issuer shall have full authority and responsibility to negotiate, define, validate, market, sell, issue and deliver its 2004 Bonds, based upon the amounts required for the financing of the Local Project, and to take such other action as may be necessary or convenient to accomplish such purpose.

The issuance and administration costs and expenses related to the 2004 Bonds issued to finance the Local Project and administration of such program shall be paid from proceeds of the 2004 Bonds and revenues generated from the loan program.

Section 3. Reimbursement of Local Government. The fees and expenses of the Local Government, if any, shall be paid by the Company in the manner and to the extent mutually agreed upon by the officials of the Local Government and the Company at or prior to issuance of the 2004 Bonds.

Section 4. Term. This Agreement will remain in full force and effect from the date of its execution until such time as it is terminated by any party upon ten (10) days written notice to

the other party hereto. Notwithstanding the foregoing, it is agreed that this Agreement may not be terminated by the Local Government or by any party during any period that any 2004 Bonds issued pursuant to the terms hereof remain outstanding (or a purchase contract for such 2004 Bonds is in effect), or during any period in which the proceeds of such 2004 Bonds are still in the possession of the Issuer, the Company or its agents pending distribution, unless either (i) the parties to this Agreement mutually agree in writing to the terms of such termination or (ii) such termination, by its terms, only applies prospectively to the authorization to issue the 2004 Bonds and for which no purchase contract has been entered into.

Section 5. Indemnity. To the full extent permitted by law, the Issuer agrees to hold the Local Government harmless from any and all liability, including payment of all applicable costs and reasonable attorneys fees, pursuant to its involvement with the financing and/or operation of the Local Project, including but not limited to the repayment of principal of and interest or penalty on the 2004 Bonds, and the members and officials of the Local Government harmless from any and all liability, including payment of all applicable costs and reasonable attorneys fees, in connection with the approval rendered pursuant to applicable federal and Florida laws. The Issuer agrees that any offering, circular or official statement approved by and used in marketing the 2004 Bonds will include a statement to the effect that Bondowners may not look to the Local Government for payment of the 2004 Bonds and interest or premium thereon.

Section 6. No Joint Venture. This Agreement shall not constitute, create or in any way be interpreted as a joint venture, partnership or formal business organization of any kind. The parties shall perform activities under this Agreement only as independent contracts, and nothing contained in this Agreement shall be construed to be inconsistent with this relationship or status. Under no circumstances shall any personnel of either party be considered to be any employee or agent of the other party. Nothing in this Agreement shall be interpreted as granting either party the right or authority to make commitments of any kind for the other, implied or otherwise, without prior review and written agreement by the other party.

Section 7. Limited Liability. The 2004 Bonds, and all obligations of the Issuer undertaken in connection therewith, are limited and special obligations of the Issuer, and shall be payable solely from the revenues provided therefor under the loan program.

IN WITNESS WHEREOF, the parties to this Agreement have caused their names to be affixed hereto by the proper officers thereof as of the _____ day of _____, 2004.

CAPITAL TRUST AGENCY, the Issuer

By
Name: _____
Its: Chairman

ATTEST:

By _____
Name: _____
Its: _____

LEXINGTON COUNTY, SOUTH CAROLINA, the
Local Government

By
Name: _____
Its: _____

ATTEST:

By _____
Name: _____
Its: _____

LOCAL PROJECT

Stoney Creek Apartments
18 Berryhill Road
Columbia, SC 29210

